

**IN THE UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION**

In re:

SD-CHARLOTTE, LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 20-30149-LTB

Jointly Administered

**EX PARTE APPLICATION TO EMPLOY  
SHUMAKER, LOOP & KENDRICK, LLP AS LOCAL CO-COUNSEL  
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

The Official Committee of Unsecured Creditors (the “Committee”) of SD-Charlotte, LLC, *et al.*, (the “Debtors”) moves the Court for the entry of an order pursuant to 11 U.S.C. §§ 328 and 1103 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014-1 and 9013-1(f)(8) of the Rules of Practice and Procedure of the United States Bankruptcy Court for the Western District of North Carolina (the “Local Rules”), authorizing the Committee to retain and employ Shumaker, Loop & Kendrick, LLP (“SLK”) as local co-counsel to the Committee in the above-captioned jointly administered Chapter 11 cases (the “Cases”) effective as of February 25, 2020. In support of this application, the Committee respectfully represents as follows:

**JURISDICTION, BACKGROUND, AND BASIS FOR RELIEF**

1. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this application is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

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<sup>1</sup> The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are SD-Charlotte, LLC (7237); RTHT Investments, LLC (2540); SD Restaurant Group, LLC (0331); SD-Missouri, LLC (8294); and Southern Deli Holdings, LLC (9425).

2. On February 7, 2020 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of title 11 of the Bankruptcy Code.

3. The Debtors continue to control their businesses and manage their property as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

4. On February 20, 2020, this Court entered an order appointing the Committee. [Doc. 87]. The Committee is comprised of the following parties: (a) National Retail Properties, Inc., (b) Performance Food Group, Inc., (c) STORE Capital Corporation, and (d) The Merchants Company dba Merchants Foodservice.

5. On February 20, 2020, the Committee selected Pachulski Stang Ziehl & Jones LLP (“PSZ&J”) as counsel to the Committee in the Cases.

6. On February 25, 2020, the Committee selected SLK to serve as local co-counsel to the Committee in the Cases.

7. The statutory predicates for the relief requested herein are 11 U.S.C. §§ 328 and 1103, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 9013-1(f)(8).

### **RETENTION OF SLK**

8. The Committee seeks to retain SLK as local co-counsel effective as of February 25, 2020 because of SLK’s extensive experience and knowledge: (a) in the field of debtors’ and creditors’ rights and business reorganizations under chapter 11 of the Bankruptcy Code, (b) in commercial and bankruptcy litigation, and (c) in practicing before this Court. In addition, the Committee seeks to retain SLK due to its proximity to the Court, and its ability to respond quickly to emergency hearings and other emergency matters in this Court in a cost-effective manner.

9. The attorneys of SLK are duly admitted to practice in the Bankruptcy Court for the Western District of North Carolina.

10. In addition to SLK, the Committee, by separate application, is seeking to retain the law firm of PSZ&J as lead counsel and co-counsel to the Committee. The Committee submits that it is essential to employ both of these firms in these cases. PSZ&J and SLK have discussed a division of responsibilities regarding representation of the Committee and will make every effort to avoid and/or minimize duplication of effort in these Cases between their firms.

**SERVICES TO BE RENDERED**

11. The professional services that SLK is to render as co-counsel to the Committee include, without limitation:

- (a) Assisting, advising, and representing the Committee and lead counsel in consultations with the Debtors and other parties in interest regarding the administration of these Cases;
- (b) Representing the Committee at hearings to be held before this Court and communicating with the Committee and lead counsel regarding the matters heard and issues raised as well as the decisions and considerations of this Court;
- (c) Assisting and advising the Committee and lead counsel in analyzing the Debtors' assets and liabilities, investigating the extent and validity of liens and participating in and reviewing any proposed asset sales, any asset dispositions, financing arrangements and cash collateral stipulations or proceedings;
- (d) Assisting and advising the Committee and lead counsel in any manner relevant to reviewing and determining the Debtors' rights and obligations under leases and other executory contracts;
- (e) Assisting and advising the Committee and lead counsel in investigating the acts, conduct, assets, liabilities, and financial condition of the Debtors, the Debtors' operations and the desirability of the continuance of any portion of those operations, and any other matters relevant to these Chapter 11 Cases;

- (f) Assisting and advising the Committee in its participation in the negotiation, formulation, and drafting of a plan of liquidation;
- (g) Assisting and advising the Committee in understanding its powers and its duties under the Bankruptcy Code and the Bankruptcy Rules and in performing other services as are in the interests of those represented by the Committee;
- (h) Assisting and advising the Committee in the analysis, estimation and evaluation of claims and any litigation matters;
- (i) Assisting and advising the Committee and lead counsel in preparing appropriate pleadings and proposed orders as may be required in support of positions taken by the Committee; and
- (j) Providing such other services to the Committee as may be necessary in these cases.

12. SLK has agreed to act on behalf of, and to render such services to, the Committee, on the terms set forth below.

**CONNECTIONS TO PARTIES IN INTEREST**

13. To the best of the Committee's knowledge, and except as set forth in the Declaration of David H. Conaway (the "Declaration") attached hereto as **Exhibit A**, the Committee has determined that SLK does not hold any interest adverse to the Committee or the Debtors' estates, and, while employed by the Committee, will not represent any person having an adverse interest in connection with the Cases.

14. Furthermore, while Section 1103(b) of the Bankruptcy Code does not incorporate the general "disinterestedness" standard set forth in section 327(a) of the Bankruptcy Code with respect to representation of the Committee, the Committee believes that SLK is nonetheless a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code in that the firm, its members, counsel, and associates:

- (a) are not creditors, equity security holders, or insiders of the Debtors;

- (b) are not and were not, within two years before the date of the filing of the Debtors' chapter 11 petition, directors, officers or employees of the Debtors; and
- (c) do not have any interest materially adverse to the interests of the Debtors' estates or of any class of creditors or equity security holders by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors as specified in subparagraph (a) or (b) of this paragraph, or for any other reason.

15. Accordingly, the Committee has determined that (i) SLK is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, (ii) SLK's representation of the Committee is permissible under section 1103(a) of the Bankruptcy Code, and (iii) SLK's services are necessary and in the best interests of the Committee and the Debtors' estates, enabling the Committee to carry out its duties owed.

#### **PROFESSIONAL COMPENSATION**

16. Pursuant to section 328(a) of the Bankruptcy Code, the Committee may employ SLK on any reasonable terms and conditions. The Committee submits that the most reasonable terms and conditions are those charged by SLK to the Committee and other clients on an hourly basis in a competitive market for legal services. Therefore, the Committee and SLK have agreed that SLK shall be paid, subject to the approval of this Court, its customary hourly rates for services SLK provides that are in effect from time to time, subject to periodic adjustment, and shall be reimbursed according to SLK's customary reimbursement policies and in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any orders relevant thereto, for all services performed and expenses incurred from and after the proposed employment date.

17. The Committee has been advised by SLK that its hourly rates, as of February 25, 2020 are as follows: (a) David H. Conaway \$695.00, (b) Ronald D.P. Bruckmann \$490.00, and

(c) Cheryl P. Elgin \$290.00. The Committee further understands that the hourly rates set forth above are subject to periodic adjustments to reflect established billing practices and procedures as well as economic and other conditions, which adjustments typically occur on January 1 of each year. The Committee consents to such ordinary rate increases.

18. In addition to the hourly rates previously referenced, SLK customarily charges clients for actual and necessary costs of support services the firm provides in connection with a representation, including, without limitation, court reporters, transcripts, witness fees, computerized research, filing fees, photocopying charges, long distance telephone calls, facsimile transmissions, messengers, courier mail, secretarial overtime, temporary services, travel, lodging, and catering for meetings. SLK will charge the cost of these items in a manner and at rates consistent with charges generally made to the firm's clients.

19. SLK has agreed to be employed by the Committee at the firm's customary, hourly rates for comparable matters, including paralegal services, and understands that the firm's compensation is to be paid and the expenses and costs are to be reimbursed pursuant to orders of this Court and are subject to the Court's approval and/or pursuant to any administrative procedures established by Order of the Court.

20. SLK understands and acknowledges that all amounts paid to SLK for compensation and reimbursement of expenses in connection with these chapter 11 case are subject to final allowance by this Court. SLK therefore intends to apply to this Court for periodic allowance of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, the Local Rules and any orders relevant thereto for all services performed and expenses incurred after the proposed employment date.

21. SLK has not received any compensation from the Committee or its members and is not holding a retainer in connection with this matter.

22. Attached to this application as Exhibit B is a proposed Order authorizing the engagement of SLK.

**NOTICE**

23. This application is being submitted on an *ex parte* basis pursuant to Local Rule 9013-1(f). Upon entry of an order granting the relief requested herein, the Committee will provide notice of entry of the order in accordance with the Bankruptcy Rules, and any party in interest shall be entitled to request that the Court reconsider the relief granted within fourteen (14) days of service of notice of the order.

WHEREFORE, the Committee respectfully requests that an Order be entered authorizing it to retain Shumaker, Loop & Kendrick, LLP to represent it as local co-counsel in these Cases, and providing the Committee such other and further relief as the Court may deem just and proper.

Dated: March 4, 2020

Respectfully Submitted,

**THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF SD-CHARLOTTE, LLC, *ET AL.***

By:   
Performance Food Group, Inc.  
Brad Boe

Solely in its capacity as Chair of the Official Committee of  
Unsecured Creditors of SD-Charlotte, LLC, *et al.*, and not in  
any other capacity

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on March 6, 2020, the foregoing was served on all parties included on the attached Master Service List in accordance with the Order Establishing Notice Procedures entered by the Court on February 11, 2020 (Docket No. 47), either by (i) the Court's CM/ECF system or (ii) by U.S. Mail.

/s/ David H. Conaway\_\_\_\_\_  
David H. Conaway



# Master Service List

As of March 4, 2020

Name	Attention	Address 1	Address 2	City	State	Zip	Country	Telephone	Fax Number	Email Address
1810 Wynn Road, LLC	c/o The Henderson Law Firm	Attn: James H. Henderson	1120 Greenwood Cliff	Charlotte	NC	28204		704-333-3444	704-333-5003	henderson@title11.com
Advantage II Incorporated, LLC	c/o Munsch Hardt Kopf & Harr, P.C.	Attn: John D. Cornwell & Grant M. Bell	700 Miami Street Suite 2700	Houston	TX	77002		713-222-1470	713-222-1475	jcornwell@munsch.com
Advantage Platform Services, Inc.	dba Advantage Capital Funding	Attn: CEO/President	104 E 25th Street, 10th Floor	New York	NY	10010				info@advantagecapitalfunding.com
AJ Equity Group LLC	Attn: Officer or Director	1451 47th Street		Brooklyn	NY	11219				gbeiner@munsch.com
Amur Equipment Finance, Inc.	Attn: Officer or Director	308 N Locust Street		Grand Island	NE	68801				info@advantagecapitalfunding.com
APP Funding, LLC	Attn: Officer or Director	85 Broad Street	FL 17	New York	NY	10004				aeforiginator@amuref.com
APP Funding, LLC	c/o Bailey & Dixon LLP, Attorneys at Law	Attn: Cody R. Loughridge	PO Box 1351	Raleigh	NC	27602		919-828-0731	919-828-6592	cloughridge@bdixon.com
APP Funding, LLC	c/o The Law Offices of Jason Gang, PLLC	Attn: Jason A. Gang	1245 Hewlett Plaza, Suite 478	Hewlett	NY	11557		646-389-5610		jason@jasongang.com
BMF Capital, LLC	Attn: Officer or Director	1820 Avenue M	Suite 125	Brooklyn	NY	11230		646-493-2707		funding@bmfcapitalllc.com
BMF Capital, LLC	c/o Cain and Daniels, Inc.	Attn: Max Lora	4902 Eisenhower Blvd, 2nd Floor	Tampa	FL	33634		813-658-3310	813-441-6905	contact@caindaniels.com
BMF Capital, LLC	c/o Regent & Associates	Attn: Christopher Savoy	3601 Audubon Pl	Houston	TX	77006				christopherhandley@savoyassociates.com
Bridge Funding Group, Inc.	Attn: Officer or Director	215 Shilling Circle	Suite 100	Hunt Valley	MD	21031				dmcckew@bankuntitled.com
Bridge Funding Group, Inc.	c/o Cheng Cohen LLC	Attn: Amy Cheng	363 West Erie Street, Suite 500	Chicago	IL	60654				amy.cheng@chengcohen.com
Bridge Funding Group, Inc.	c/o Grier Wright Martinez PA	Attn: A. Cotten Wright	521 E. Morehead St., Suite 440	Charlotte	NC	28202		704-375-3720	704-332-0215	cwright@grierlaw.com
Bridge Funding Group, Inc.	c/o Lazer, Aphelker, Rosella & Yedid, PC	Attn: Jennifer L. Silvestro	225 Old Country Road	Melville	NY	11747				silvestro@larypc.com
CC Funding	Attn: Officer or Director	505 Park Avenue	6th Floor	New York	NY	10022				
CT Corporation System	Attn: Officer or Director	PO Box 2576		Springfield	IL	62708				
Dimension Funding, LLC	Attn: SPRS	330 N Brand Blvd	Suite 200	Glendale	CA	91203				
DLA Piper LLP	Attn: Officer or Director	6 Hughes	Suite 700	Irvine	CA	92618				florida@dimensionfunding.com
DLA Piper LLP	The Marbury Building	6225 Smith Avenue		Baltimore	MD	21209-3600				kevin.kobbe@dlapipe.com
DLA Piper LLP	Attn: C. Kevin Kobbe	1201 West Peachtree Street, Suite 2800		Atlanta	GA	30309-3450				daniel.simon@dlapipe.com
DLA Piper LLP	Attn: Daniel Simon	One Atlantic Center		Atlanta	GA	30309-3450				
DLA Piper LLP	Attn: David Avraham	444 West Lake Street, Suite 900		Chicago	IL	60606-0089				david.avraham@dlapipe.com
EBF Partners, LLC	c/o Max Recovery Group LLC	Attn: Vadim Serebro	55 Broadway, 3rd Floor	New York	NY	10006				legal@maxrecoverygroup.com
EBF Partners, LLC	dba Everest Business Funding	5 West 37th Street, Suite 1100		New York	NY	10018				isupport@ev-bf.com
Edward Don & Company	c/o Nexsen Pruet, PLLC	Attn: Lisa P. Summer	4141 Parklake Ave.	Raleigh	NC	27612		919-573-7423	919-573-7454	lsummer@nexuspruet.com
EIN CAP, Inc.	Attn: Russell Naftali	160 Pearl Street	5th Floor	New York	NY	10005		646-632-1017	800-519-7189	r.naftali@eincap.com
EIN CAP, Inc.	c/o Joseph S. Koval	160 Pearl Street, 5th Floor		New York	NY	10005				info@eincap.com
FTS Berwick LLC	c/o Offit Kurman, P.A.	Attn: John H. Capitano	301 S. College Street	Charlotte	NC	28202-6038			704-372-2619	jack.capitano@offitkurman.com
Gaisos Living Trust dated November 11, 2011	c/o Burr & Cordes, PLLC	Attn: Stacy C. Cordes	122 Cherokee Road	Charlotte	NC	28207		704-332-3282	704-332-3324	scordes@burtcordeslaw.com
Internal Revenue Service	Attn: Centralized Insolvency Operation	PO Box 7346		Philadelphia	PA	19101-7346				
Itria Ventures LLC	Attn: Jordan Parker	One Penn Plaza, Suite 4530		New York	NY	10119				
Itria Ventures LLC	Attn: Officer or Director	1000 N West Street, Suite 1200		Wilmington	DE	19801				
Itria Ventures LLC	c/o Kasowitz Benson Torres LLP	1400 16th Street, Suite 400		Denver	CO	80202				sschmidt@kasowitz.com
Itria Ventures LLC	c/o Kasowitz Benson Torres LLP	Attn: Shai Schmidt & Adam L Shiff	1633 Broadway	New York	NY	10019		212-506-1949	212-500-3462	ashiff@kasowitz.com
Itria Ventures, LLC	c/o Burr & Forman LLP	Attn: Mignon A. Lunsford	421 Fayetteville Street	Raleigh	NC	27601		212-506-1732	212-835-5032	mlunsford@burr.com
Libertas Funding, LLC	Attn: Officer or Director	382 Greenwich Avenue, Suite 2		Greenwich	CT	06830		919-334-4709	919-573-0771	customer.service@libertasfunding.com
Mantis Funding, LLC	Attn: Officer or Director	64 Beaver Street, Suite 344		New York	NY	10004				
Merchants Food Service	Attn: Tamesha Barnes	PO Box 1351		Hattiesburg	MS	39403-1351				dstansfield@merchantsfoodservice.com
Missouri Department of Revenue	Attn: Seven A. Ginther	PO Box 475		Jefferson City	MO	65105-0475		573-751-5531	573-751-7232	wheced@dor.mo.gov
MOD Super Fast Pizza, LLC and MOD Super	c/o DLA Piper LLP	Attn: C. Kevin Kobbe	The Marbury Building 6225 Smith Avenue	Baltimore	MD	21209		410-580-4189	410-580-3189	kevin.kobbe@dlapipe.com
Fast Pizza Franchising, LLC	c/o Fisher Broyles, LLP	600 Fairview Road	Suite 1200	Charlotte	NC	28210		704-442-7263	704-731-0694	dfeitcher@fisherbroyles.com
Fast Pizza Franchising, LLC	Attn: Christopher Tessitore, Executive Vice President and General Counsel	450 S. Orange Avenue, Suite 900		Orlando	FL	32801		407-650-1115		chris.tessitore@nneit.com
National Retail Properties, Inc.	Attn: Bankruptcy Unit	PO Box 1168		Raleigh	NC	27602-1168				
North Carolina Department of Revenue	Attn: Bankruptcy Unit	Attn: Ashley A. Edwards	401 South Tryon Street	Charlotte	NC	28202		704-372-9000		ashleyedwards@parkerpoe.com
NWPP LP	c/o Parker Poe Adams & Bernstein LLP	Attn: Bradford J. Sandler & Shirley S. Cho & Jason Rosell	919 N. Market Street, 17th Floor	Wilmington	DE	19801		302-652-4100	302-652-4400	bsandler@psjlaw.com
Official Committee of Unsecured Creditors	c/o Pachuski Stang Ziehl & Jones LLP									scho@psjlaw.com
Official Committee of Unsecured Creditors	c/o Shumaker, Loop & Kendrick, LLP	Attn: David H. Conaway & Ronald D.P. Bruckmann	101 S. Tryon Street, Suite 2200	Charlotte	NC	28280		704-375-0057	704-332-1197	rosell@psjlaw.com
Performance Food Group, Inc	Attn: Brad Boe	188 Inverness Drive West		Centennial	CO	80112				dbruckmann@shumaker.com
Region Capital	Attn: Officer or Director	323 Sunny Isles Blvd, Suite 501		Sunny Isles	FL	33160		303-898-8137		brad.boe@rfgc.com
Royal Business Group LLC	Attn: Officer or Director	734 West Broadway		Woodmere	NY	11598				info@regionalcapitalllc.com
Securities & Exchange Commission	c/o Robinson, Bradshaw & Hinson, P.A.	950 East Paces Ferry Road, NE	Suite 900	Atlanta	GA	30326				
SRI Holding Company, SRI Operating	Attn: David M. Schilli	101 N Tryon Street, Suite 1900		Charlotte	NC	28246		704-377-8346	704-373-3946	atlanta@sec.gov
Sonic Franchising LLC and Sonic Industries LLC										dischilli@robinsonbradshaw.com
STORE Capital Corporation	Attn: Lyena Hale, SVP Portfolio Management	8377 E Hartford Dr	Suite 100	Scottsdale	AZ	85255		480-256-1100	480-256-1101	lhale@storecapital.com
STORE Capital Corporation and SVON 1, LLC	c/o Nelson Mullins Riley & Scarborough LLP	Attn: Thomas G. Hooper	301 South College Street, Suite 2300	Charlotte	NC	28202		704-417-3000	704-377-4814	tom.hooper@nelsonmullins.com
STORE Master Funding III, LLC	Attn: Officer or Director	8377 E Hartford Drive	Suite 100	Scottsdale	AZ	85255				lhale@storecapital.com
The Merchants Company d/b/a Merchants Foodservice	Attn: Jarrod Gray, Chief Financial Officer	1100 Edwards Street		Hattiesburg	MS	39401		601-584-4634		jgray@merchantsfoodservice.com



# Master Service List

As of March 4, 2020

Name	Attention	Address 1	Address 2	City	State	Zip	Country	Telephone	Fax Number	Email Address
The Merchants Company d/b/a Merchants Foodservice	c/o Hull & Chandler, PA	Attn: Felton E. Parrish	1001 Morehead Square Drive	Charlotte	NC	28203		704-375-8488	704-375-8487	fparrish@lawyer-carolina.com
TVT 2.0, LLC	Attn: Customer Service	1111 Draper Parkway, Suite 200		Draper	UT	84020				
TVT 2.0, LLC	c/o Parson Behle & Latimer	201 South Main Street, Suite 1800		Salt Lake City	UT	84111				
US Bankruptcy Administrator	Attn: Shelley K. Abel	402 W. Trade Suite, Suite 200		Charlotte	NC	28202				shelley_abel@ncwba.uscourts.gov
US Department of the Treasury	c/o Internal Revenue Service	Attn: Centralized Insolvency Op	PO Box 7346	Philadelphia	PA	19101-7346				
Yaron Goldman		131 East Lincoln Avenue, Suite C		Fort Collins	CO	80524				